



September 18, 2020

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The Honorable Terry Canales  
Texas House of Representatives  
PO Box 2910  
Austin, TX 78768

Dear Chairman Canales and Members of the House Transportation Committee:

Transportation Advocacy Group (TAG) Houston Region appreciates the opportunity to comment on **Interim Charge 1B** related to the funding for the State Highway Fund. We are the leading advocate for transportation funding for the Houston region – a region spanning an area larger than 5 states with a rapidly expanding, internationally competitive market of 6.7 million people projected to reach over 11 million by 2040. TAG is comprised of local governments, economic development organizations, nonprofits, and employers all committed to the continued investment in transportation infrastructure.

Transportation is about where we want to be and how we get there. It is the lifeline for our daily needs, and it is the backbone of our economy - providing access to healthcare, education, jobs, the movement of goods and more. The world slowed significantly with the onset of COVID-19 but the demand on our infrastructure did not; the region kept moving and the population kept working. It was this infrastructure that allowed the online economy to function and deliver goods to our doorsteps. We must continue to prioritize investments in mobility as populations increase, technology advances, and our economy recovers. We know that infrastructure creates economic opportunity and prosperity and experts project that with every \$1 billion invested in transportation, at least 13,000 jobs are supported annually.

TAG strongly supports exploring additional methods of funding as requested in interim charge 1B for supporting the State Highway Fund and other modes that feed into the current funding mechanisms. TAG's top tier list of suggestions includes:

INVESTING IN TRANSPORTATION TO PROTECT OUR FUTURE, ECONOMIC VITALITY AND OVERALL QUALITY OF LIFE.

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- **AF Equity Fee** – The alternatively fueled (AF) vehicle market continues to grow rapidly and directly limits the future ability of the traditional gas tax funding mechanism for our transportation systems. With this legislation, AF owners are asked to pay their fair share with an annual fee derived from a formula based on the average tax paid by users of similar type vehicles.
- **Relax the Cap** – Enable major urban counties to enact up to a 1% sales tax to be dedicated toward local mobility and infrastructure needs. A list of the projects to be funded must accompany the required referendum and the authorization would last thirty years.
- **Educate & Elevate** – Re-establish the current gas tax as a major funding tool for both transportation and education. With this tax indexed, increased, or both, significant funds can be raised at a time when we need it the most. In 2018, the state motor fuels tax raised \$3.767 billion for highways and \$918.7 million for schools.

TAG also advocates for keeping tolling in the toolbox, opposing any possible diversions away from transportation, and supporting Vision Zero efforts locally and statewide. We support a larger menu of funding options and welcome the opportunity to share more.

We thank you for this opportunity to provide this testimony in response to **Interim Charge 1B** on behalf of Transportation Advocacy Group (TAG-Houston Region).

Sincerely,

A handwritten signature in black ink, appearing to read 'Mustafa Tameez', with a long horizontal flourish extending to the right.

Mustafa Tameez  
Chairman

Sincerely

A handwritten signature in blue ink, appearing to read 'Jim Russ', with a stylized, looped design.

Jim Russ  
Vice Chairman